



**FILED**  
16  
11:20 AM

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of West Coast Gas Company to  
Revise its Gas Rates and Tariffs. (U910G).

Application 16-07-017  
(Filed July 29, 2016)

**SCOPING MEMO AND RULING OF ASSIGNED COMMISSIONER AND JOINT  
RULING WITH ADMINISTRATIVE LAW JUDGE**

**Summary**

This Scoping Memo and Ruling sets forth the category, issues, need for hearing, schedule, and other matters necessary to scope this proceeding pursuant to Public Utilities Code § 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure.<sup>1</sup>

**1. Background**

On July 29, 2016, West Coast Gas Company (WCG) filed an Application to increase revenue requirements associated with utility functions that WCG must perform to provide safe and reliable gas service to its customers at reasonable rates. WCG requests a \$341,673 increase for gas distribution operations at the Mather and Castle service territories; a 19.29% increase to overall rates. The Office of Ratepayer Advocates (ORA) filed a protest to the application on August 25, 2016.

A Prehearing Conference (PHC) was set by a ruling dated August 25, 2016. On September 27, 2016, the PHC was held to determine parties, discuss the scope, the schedule, and other procedural matters.

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<sup>1</sup> California Code of Regulations, Title 20, Division 1, Chapter 1; hereinafter, Rule or Rules.

## **2. Scope**

Based on the application, and ORA protest and the discussion at the PHC, the following issues are within the scope of this proceeding:

1. The Methodology Used to Determine the Rate Increase
2. Reasonableness of the Requested Rate Increase
3. The Estimate of Sales and Revenue
4. Operating Expenses
5. Safety Concerns or Considerations
6. Amount of Uncollectibles
7. Cost of Capital
8. Post Test Year Ratemaking - Attrition
9. Rate Design

## **3. Categorization**

The Commission in Resolution ALJ 176-3382, issued on August 18, 2016, preliminarily determined that the category of the proceeding is ratesetting.

This scoping memo confirms the categorization. Anyone who disagrees with this categorization must file an appeal of the categorization no later than ten days after the date of this scoping ruling. (*See* Rule 7.6.)

## **4. Need for Hearing**

The Commission in Resolution ALJ 176-3382 also preliminarily determined that hearings are required. This scoping memo finds hearings necessary and establishes dates for those hearings below.

## **5. Ex Parte Communications**

In a ratesetting proceeding such as this one, *ex parte* communications with the assigned Commissioner, other Commissioners, their advisors and the Administrative Law Judge (ALJ) are only permitted as described at Public Utilities Code § 1701.3(c) and Article 8 of the Rules.

**6. Intervenor Compensation**

Pursuant to Public Utilities Code § 1804(a)(1), a customer who intends to seek an award of compensation must file and serve a notice of intent to claim compensation by October 27, 2016, 30 days after the PHC.

**7. Assigned Commissioner, Presiding Officer**

Carla J. Peterman is the assigned Commissioner and Robert W. Haga is the assigned ALJ. Pursuant to Public Utilities Code § 1701.3 and Rule 13.2 of the Commission's Rules of Practice and Procedure (Rule or Rules), Robert W. Haga is designated as the Presiding Officer.

**8. Filing, Service and Service List**

The official service list has been created and is on the Commission's website. Parties should confirm that their information on the service list is correct, and serve notice of any errors on the Commission's Process office, the service list, and the ALJ. Persons may become a party pursuant to Rule 1.4.

When serving any document, each party must ensure that it is using the current official service list on the Commission's website.

This proceeding will follow the electronic service protocols set forth in Rule 1.10. All parties to this proceeding shall serve documents and pleadings using electronic mail, whenever possible, transmitted no later than 5:00 p.m., on the date scheduled for service to occur. Parties are reminded, when serving copies of documents, the document format must be consistent with the requirements set forth in Rules 1.5 and 1.6. Additionally, Rule 1.10 requires service on the ALJ of both an electronic and a paper copy of filed or served documents.

Rules 1.9 and 1.10 govern service of documents only and do not change the Rules regarding the tendering of documents for filing. Parties can find

information about electronic filing of documents at the Commission's Docket Office at [www.cpuc.ca.gov/PUC/efiling](http://www.cpuc.ca.gov/PUC/efiling). All documents formally filed with the Commission's Docket Office must include the caption approved by the Docket Office and this caption must be accurate.

Persons who are not parties but wish to receive electronic service of documents filed in the proceeding may contact the Process Office at [process\\_office@cpuc.ca.gov](mailto:process_office@cpuc.ca.gov) to request addition to the "Information Only" category of the official service list pursuant to Rule 1.9(f). Discovery

## **9. Discovery**

Discovery may be conducted by the parties consistent with Article 10 of the Commission's Rules. Any party issuing or responding to a discovery request shall serve a copy of the request or response simultaneously on all parties. Electronic service under Rule 1.10 is sufficient, except Rule 1.10(e) does not apply to the service of discovery and discovery shall not be served on the Administrative Law Judge. Deadlines for responses may be determined by the parties. Motions to compel or limit discovery shall comply with Rule 11.3.

## **10. Public Advisor**

Any person interested in participating in this proceeding who is unfamiliar with the Commission's procedures or who has questions about the electronic filing procedures is encouraged to obtain more information at <http://consumers.cpuc.ca.gov/pao/> or contact the Commission's Public Advisor at 866-849-8390 or 415-703-2074 or 866-836-7825 (TTY), or send an e-mail to [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov).

## 11. Schedule

Neither party proposed a specific schedule in their opening pleadings, but they agreed on a schedule shortly before the PHC and presented it at the PHC.

Neither party proposed that Public Participation Hearings should be held.

The adopted schedule is:

<b>EVENT</b>	<b>DATE</b>
Prehearing Conference	September 27, 2016
Direct Testimony served	January 27, 2017
Rebuttal Testimony served	February 27, 2017
Cross-Examination estimates served	March 6, 2017
Evidentiary Hearings	March 13, 14, and 15, 2017 beginning at 10 AM Commission Courtroom 505 Van Ness Avenue San Francisco, California
Closing Briefs	April 21, 2017
Request for Final Oral Argument	Concurrent with Closing Briefs
Reply Briefs/Record submitted	May 12, 2017
Comments on Proposed Decision	Within 20 Days of Service of the Proposed Decision
Replies to Comments on Proposed Decision	Within 5 Days of Service of Comments
Anticipated Commission Meeting/Decision	30 Days after but no later than 60 days after the Proposed Decision

The proceeding will be submitted upon the filing of reply briefs, unless the assigned Commissioner or the ALJ directs further evidence or argument.

The assigned Commissioner or assigned ALJ may modify this schedule as necessary to promote the efficient management and fair resolution of this proceeding.

It is the Commission's intent to complete this proceeding within 18 months of the date this Scoping Memo is filed. This deadline may be extended by order of the Commission. (Public Utilities Code § 1701.5(a).)

If there are any workshops in this proceeding, notice of such workshops will be posted on the Commission's Daily Calendar to inform the public that a decision-maker or an advisor may be present at those meetings or workshops. Parties shall check the Daily Calendar regularly for such notices.

## **12. Settlement and Alternative Dispute Resolution**

While the schedule does not include specific dates for settlement conferences it does not preclude parties from meeting at other times provided notice is given consistent with our Rules.

The Commission offers Alternative Dispute Resolution (ADR) services consisting of mediation, facilitation, or early neutral evaluation. Use of ADR services is voluntary, confidential, and at no cost to the parties. Trained ALJs serve as neutrals. The parties are encouraged to visit the Commission's ADR webpage at <http://www.cpuc.ca.gov/adr/>, for more information.

If requested, the assigned ALJ will refer this proceeding, or a portion of it, to the Commission's ADR Coordinator. Alternatively, the parties may contact the ADR Coordinator directly at [adr\\_program@cpuc.ca.gov](mailto:adr_program@cpuc.ca.gov). The parties will be notified as soon as a neutral has been assigned; thereafter, the neutral will contact the parties to make pertinent scheduling and process arrangements. Alternatively, and at their own expense, the parties may agree to use outside ADR services.

### 13. Final Oral Argument

A party in a ratesetting proceeding in which a hearing is held has the right to make a Final Oral Argument before the Commission, if the argument is requested within the Closing Brief. (Rule 13.13.)

#### IT IS RULED that:

1. The category of this proceeding is ratesetting. Appeals as to category, if any, must be filed and served within ten days from the date of this scoping memo.
2. Administrative Law Judge Robert W. Haga is designated as the Presiding Officer.
3. The scope of the issues for this proceeding is as stated in "Section 2. Scope" of this ruling.
4. Hearing is necessary.
5. The schedule for the proceeding is set in "Section 11. Schedule" of this ruling. The assigned Commissioner or Presiding Officer may adjust this schedule as necessary for efficient management and fair resolution of this proceeding.
6. With limited exceptions that are subject to reporting requirements, *ex parte* communications are prohibited. (See Public Utilities Code § 1701.3(c); Article 8 of the Commission's Rules of Practice and Procedure.)
7. A party shall submit request for Final Oral Argument in its opening briefs, but the right to Final Oral Argument ceases to exist if hearing is not needed.
8. Parties shall adhere to the instructions provided in Appendix A of this

ruling for submitting supporting documents (select: testimony, workshop reports, etc.)

Dated November 10, 2016, at San Francisco, California.

/s/ CARLA J. PETERMAN

Carla J. Peterman  
Assigned Commissioner

/s/ ROBERT W. HAGA

Robert W. Haga  
Administrative Law Judge